



City of Enid  
401 W. Owen K. Garriott Road  
Enid, Oklahoma 73701  
580-234-0400

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Kaw Lake Funding Oversight Committee

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**NOTICE OF MEETING**

Notice is hereby given that the Enid KAW Lake Funding Oversight Committee will meet in regular session at 12:00 p.m. on the 13th day of June, 2019, in the Lower Level Conference Room, in the basement of the City Administration Building, located at 401 W. Owen K. Garriott Road, Enid, Oklahoma, and the agenda for said meeting is as follows:

**- AGENDA -**

**KAW LAKE FUNDING OVERSIGHT COMMITTEE**

1. **CALL TO ORDER/ROLL CALL.**
2. **CONSIDER APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE KAW LAKE FUNDING OVERSIGHT COMMITTEE OF MARCH 14, 2019.**
3. **UPDATE ON KAW LAKE PROGRAM.**
4. **UPDATE ON KAW LAKE SALES TAX RECEIPTS & EXPENDITURES.**
5. **PUBLIC COMMENTS.**
6. **ADJOURN.**

**KAW Lake Funding Oversight Committee**

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**Meeting Date:** 06/13/2019

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**SUBJECT:**

**CONSIDER APPROVAL OF MINUTES OF THE REGULAR MEETING OF THE KAW LAKE FUNDING OVERSIGHT COMMITTEE OF MARCH 14, 2019.**

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**Attachments**

Minutes

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**MINUTES OF REGULAR  
KAW LAKE FUNDING OVERSIGHT COMMITTEE  
CITY OF ENID, OKLAHOMA  
HELD ON THE 14TH DAY OF MARCH 2019**

The Kaw Lake Funding Oversight Committee of the City of Enid, Oklahoma, met in regular session in the Lower Level Conference Room of the Administration Building of the City of Enid, located at 401 West Owen K. Garriott Road in said city, at 12:00 P.M. on the 14th day of March 2019, pursuant to notice given by December 15, 2018 to the Clerk of the City of Enid, and pursuant to notice thereof displayed at the entrance to the Administration Building in said city, in prominent view and which notice was posted prior to 12:00 P.M. on the 13th day of March 2019.

Chairman Patterson called the meeting to order.

The roll was called with the following members present and absent:

PRESENT: Members Wade Patterson, Jason Turnbow, Frank Baker, Alan Clepper, and Commissioner Jonathan Waddell.

ABSENT: Members Jack Ramey, Mike Barnthouse, and Dan Randall.

Others present were Chief Financial Officer Erin Crawford, City Clerk Alissa Lack, City Manager Jerald Gilbert, City Engineer Robert Hitt, Project Manager Murali Katta-Muddanna, Public Works Director Lou Mintz, Engineering Administrative Assistant Jacquelyn Cook, Administration Executive Assistant Cary Huffhines, Bert Mackie of Security National Bank, and Reporter Ryan Miller of the Enid News and Eagle.

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Motion was made by Member Frank Baker and seconded by Commissioner Jonathan Waddell to approve the minutes of the December 13, 2018 regular Kaw Lake Funding Oversight Committee meeting, and the vote was as follows:

AYE: Members Wade Patterson, Jason Turnbow, Frank Baker, Alan Clepper and Commissioner Jonathan Waddell.

NAY: None.

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City Engineer Robert Hitt and Project Engineer Murali Katta provided a brief presentation to update the committee on the status of the Kaw Lake Water Supply Project, which included the following:

- An overview of Phase III of the program
    - Final Design
      - Design activities paused to evaluate change in acquisition strategy
        - Environmental and land acquisition activities continuing as scheduled
        - Evaluating Construction Manager at Risk delivery method
          - ✓ Transfers construction risk to the construction manager
          - ✓ Provides more cost certainty
    - Environmental Assessment and Permitting – continuing as scheduled
      - Biological studies - 93% complete
      - Cultural resource studies - 85% complete
      - Hazardous materials studies - 95% complete
      - Draft environment assessment - 80% complete
    - Land Acquisition – continuing as scheduled
      - 3% Easement offers accepted by property owners
      - 17% Offers made, pending owner acceptance
      - 21% Property owners notified, pending offer delivery
      - 59% Property owners remaining to be notified
- \*Nine easements have now been accepted by City Commissioners
- Bid Documents
    - Bidding
    - Construction Management
    - Start-Up and Commissioning
    - Program Close-Out

A brief discussion was held regarding the Construction Manager at Risk (CMAR). This was an alternate delivery method. The project had utilized a traditional design build so far, but the CMAR would

transfer a significant responsibility and risk from the City to the CMAR. The potential benefit to the City could be cost savings, scheduling benefits, and guaranteed maximum pricing. A Request for Qualifications had been distributed and the next step would be accepting proposals.

Following said discussion, the presentation concluded.

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Chief Financial Officer Erin Crawford provided an update on Kaw Lake sales tax receipts and expenditures, noting that in the 3rd quarter the City had collected \$2.316 million from the 1% tax for Kaw, which was \$123,000 higher than the \$2.193 million budgeted, at 5.64%. This even included March, which was the first month that had been under budget, about \$21,000 under, but the first couple months were good. So far this fiscal year, the City was up 6.86% or \$451,000.

So far, in the month of March, the only expenditure that had come out of this account was to close a new loan that was taken out since the last meeting, under the 2019 OWRF FAP professional fees. This was a \$50 million loan that closed in February 2019, at a fixed variable rate, and the fees paid were for bond counsel, trustee, and professional fees for financial advisors to close the loan. In December there had been a discussion with commissioners regarding mitigating risks on interest rates, and they decided to move forward on the next phase of closing the loan.

There were some payments that would be due on March 15th, which would reflect by the next meeting. To date, there was a balance of \$13,693,640.37 for the Kaw Lake Fund account.

A summary of the amortization schedule for the loan that closed in February was provided. It was a fixed variable rate interest throughout the term of the 30-year loan. There was a true interest cost of 3.81%, compared to the 2018 note at 3.80%, which was better than expected on interest. The principal balance of \$47.9 million plus a premium of \$2.7 million resulted in an available project funding amount of \$50.6 million.

The 2016 FAP note was the first loan to be taken out for Phase 2 for Garver, and was down to \$400,000 in that account; and most of the items in this fund were environmental related items that still needed to be done.

The 2018 FAP for Phase III had not had any funds drawn down to date. We'd start seeing progress when we started acquiring easements, of which some had been extended, and then for the Corps. contract.

The 2018 OWRB DWSRF loan was a line of credit to draw down from, not funds received up front. The first draw down was earlier in March for invoices for the October, November, and December claims from Garver for Phase III design. Principal payments would not be due until funds had been drawn down on this loan.

The 2019 loan that was just closed on reflected the \$50,600,000 balance that was previously discussed.

Finally, Ms. Crawford reviewed the easement and land acquisition costs that were pending out of the account. Checks had been cut and delivered to the land consultant for acquisition of some easements, but not all of the offers had been accepted yet. There would be a draw down as the easements were accepted. Acquisition of easements was tracking fine, with the largest amount being \$660,000 for acquisition of the 70 acres for the water plant.

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There being no further business, motion was made by Member Jason Turnbow and seconded by Member Alan Clepper that the meeting adjourn, and the vote was as follows:

AYE: Members Wade Patterson, Jason Turnbow, Frank Baker, Alan Clepper and Commissioner Jonathan Waddell.

NAY: None.

The meeting adjourned at 12:38 P.M.